

# Union Calendar No. 401

107<sup>TH</sup> CONGRESS  
2D SESSION

# H. R. 5091

[Report No. 107-655]

To increase the amount of student loan forgiveness available to qualified teachers, with an emphasis on special education teachers.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2002

Mr. GRAHAM (for himself, Mr. BOEHNER, Mr. BURR of North Carolina, Mr. COOKSEY, Mr. GRAVES, Mr. GREENWOOD, Mr. HILLEARY, Mr. ISAKSON, Mr. McKEON, Mr. NORWOOD, Mr. PLATTS, Ms. ROS-LEHTINEN, and Mr. TIAHRT) introduced the following bill; which was referred to the Committee on Education and the Workforce

SEPTEMBER 12, 2002

Additional sponsor: Mr. EVANS

SEPTEMBER 12, 2002

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on July 11, 2002]

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## A BILL

To increase the amount of student loan forgiveness available to qualified teachers, with an emphasis on special education teachers.

1       *Be it enacted by the Senate and House of Representa-*  
 2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       *This Act may be cited as the “Canceling Loans to*  
 5       *Allow School Systems to Attract Classroom Teachers Act”.*

6       **SEC. 2. ADDITIONAL QUALIFIED LOAN AMOUNTS FOR STU-**  
 7       **DENT LOAN FORGIVENESS.**

8       *(a) FFEL LOANS.—Section 428J(c) of the Higher*  
 9       *Education Act of 1965 (20 U.S.C. 1078–10(c)) is amended*  
 10      *by adding at the end the following new paragraph:*

11               “(3) *ADDITIONAL AMOUNTS; PRIORITY.—*

12                       “(A) *LARGER AMOUNTS FROM APPRO-*  
 13                       *PRIATED FUNDS.—Notwithstanding the amount*  
 14                       *specified in paragraph (1), the aggregate amount*  
 15                       *that the Secretary may, from funds appropriated*  
 16                       *under subparagraph (C), repay under this sec-*  
 17                       *tion is a total amount equal to not more than*  
 18                       *\$17,500.*

19                       “(B) *AWARD BASIS; PRIORITY.—The Sec-*  
 20                       *retary shall make payments under this para-*  
 21                       *graph to elementary or secondary school teachers*  
 22                       *who meet the requirements of subsection (b) on*  
 23                       *a first-come first-served basis, subject to the*  
 24                       *availability of appropriations, but shall give pri-*

1            *ority in providing loan repayment under this*  
2            *paragraph for a fiscal year to teachers who—*

3            *“(i)(I) are employed as special edu-*  
4            *cation teachers whose primary responsi-*  
5            *bility is to teach or support children with*  
6            *disabilities (as defined in section 602 of the*  
7            *Individuals with Disabilities Act); and*

8            *“(II) as certified by the chief adminis-*  
9            *trative officer of the public or nonprofit pri-*  
10           *vate elementary or secondary school in*  
11           *which the borrower is employed, are teach-*  
12           *ing children with disabilities that cor-*  
13           *respond with the borrower’s training and*  
14           *have demonstrated knowledge and teaching*  
15           *skills in the content areas of the elementary*  
16           *or secondary school curriculum that the bor-*  
17           *rower is teaching;*

18           *“(ii) are employed as teachers in local*  
19           *educational agencies that are determined by*  
20           *a State educational agency under section*  
21           *2141 of the Elementary and Secondary*  
22           *Education Act of 1965 to have failed to*  
23           *make progress toward meeting the annual*  
24           *measurable objectives described in section*

1                   1119(a)(2) of such Act for 2 consecutive  
2                   years; or

3                   “(iii) are employed as teachers of  
4                   mathematics or science.

5                   “(C) AUTHORIZATION OF APPROPRIA-  
6                   TIONS.—There are authorized to be appropriated  
7                   to carry out this paragraph such sums as may  
8                   be necessary for fiscal year 2003 and for each of  
9                   the 4 succeeding fiscal years.”.

10               (b) DIRECT LOANS.—Section 460(c) of the Higher  
11               Education Act of 1965 (20 U.S.C. 1087j(c)) is amended by  
12               adding at the end the following new paragraph:

13                   “(3) ADDITIONAL AMOUNTS; PRIORITY.—

14                   “(A) LARGER AMOUNTS FROM APPRO-  
15                   PRIATED FUNDS.—Notwithstanding the amount  
16                   specified in paragraph (1), the aggregate amount  
17                   that the Secretary may, from funds appropriated  
18                   under subparagraph (C), repay under this sec-  
19                   tion is a total amount equal to not more than  
20                   \$17,500.

21                   “(B) AWARD BASIS; PRIORITY.—The Sec-  
22                   retary shall make payments under this para-  
23                   graph to elementary or secondary school teachers  
24                   who meet the requirements of subsection (b) on  
25                   a first-come first-served basis, subject to the

1       *availability of appropriations, but shall give pri-*  
2       *ority in providing loan repayment under this*  
3       *paragraph for a fiscal year to teachers who—*

4               “(i)(I) *are employed as special edu-*  
5               *cation teachers whose primary responsi-*  
6               *bility is to teach or support children with*  
7               *disabilities (as defined in section 602 of the*  
8               *Individuals with Disabilities Act); and*

9               “(II) *as certified by the chief adminis-*  
10              *trative officer of the public or nonprofit pri-*  
11              *vate elementary or secondary school in*  
12              *which the borrower is employed, are teach-*  
13              *ing children with disabilities that cor-*  
14              *respond with the borrower’s training and*  
15              *have demonstrated knowledge and teaching*  
16              *skills in the content areas of the elementary*  
17              *or secondary school curriculum that the bor-*  
18              *rower is teaching;*

19              “(ii) *are employed as teachers in local*  
20              *educational agencies that are determined by*  
21              *a State educational agency under section*  
22              *2141 of the Elementary and Secondary*  
23              *Education Act of 1965 to have failed to*  
24              *make progress toward meeting the annual*  
25              *measurable objectives described in section*

1                   1119(a)(2) of such Act for 2 consecutive  
2                   years; or

3                   “(iii) are employed as teachers of  
4                   mathematics or science.

5                   “(C) AUTHORIZATION OF APPROPRIA-  
6                   TIONS.—There are authorized to be appropriated  
7                   to carry out this paragraph such sums as may  
8                   be necessary for fiscal year 2003 and for each of  
9                   the 4 succeeding fiscal years.”.

10 **SEC. 3. CANCELLATION OF STUDENT LOAN INDEBTEDNESS**  
11 **FOR SPOUSES, SURVIVING JOINT DEBTORS,**  
12 **AND PARENTS.**

13 (a) *DEFINITIONS.*—For purposes of this section:

14 (1) *ELIGIBLE PUBLIC SERVANT.*—The term “eli-  
15 gible public servant” means an individual who—

16 (A) served as a police officer, firefighter,  
17 other safety or rescue personnel, or as a member  
18 of the Armed Forces; and

19 (B) died (or dies) or became (or becomes)  
20 permanently and totally disabled due to injuries  
21 suffered in the terrorist attack on September 11,  
22 2001;

23 as determined in accordance with regulations of the  
24 Secretary.

1           (2) *ELIGIBLE VICTIM.*—The term “eligible vic-  
2           tim” means an individual who died (or dies) or be-  
3           came (or becomes) permanently and totally disabled  
4           due to injuries suffered in the terrorist attack on Sep-  
5           tember 11, 2001, as determined in accordance with  
6           regulations of the Secretary.

7           (3) *ELIGIBLE SPOUSE.*—The term “eligible  
8           spouse” means the spouse of an eligible public serv-  
9           ant, as determined in accordance with regulations of  
10          the Secretary.

11          (4) *ELIGIBLE SURVIVING DEBTOR.*—The term  
12          “eligible surviving debtor” means an individual who  
13          owes a Federal student loan that is a consolidation  
14          loan that was used, jointly by that individual and an  
15          eligible victim, to repay the Federal student loans of  
16          that individual and of such eligible victim.

17          (5) *ELIGIBLE PARENT.*—The term “eligible par-  
18          ent” means the parent of an eligible victim if—

19                 “(A) the parent owes a Federal student loan  
20                 that is a consolidation loan that was used to  
21                 repay a PLUS loan incurred on behalf of such  
22                 eligible victim; or

23                 “(B) the parent owes a Federal student loan  
24                 that is a PLUS loan incurred on behalf of an el-  
25                 igible victim who became (or becomes) perma-

1           *nently and totally disabled due to injuries suf-*  
 2           *fered in the terrorist attack on September 11,*  
 3           *2001.*

4           (6) *SECRETARY.*—*The term “Secretary” means*  
 5           *the Secretary of Education.*

6           (7) *FEDERAL STUDENT LOAN.*—*The term “Fed-*  
 7           *eral student loan” means any loan made, insured, or*  
 8           *guaranteed under part B, D, or E of title IV of the*  
 9           *Higher Education Act of 1965.*

10          (b) *RELIEF FROM INDEBTEDNESS.*—

11           (1) *IN GENERAL.*—*The Secretary shall provide*  
 12           *for the discharge or cancellation of—*

13                   (A) *the Federal student loan indebtedness of*  
 14                   *an eligible spouse;*

15                   (B) *the consolidation loan indebtedness of*  
 16                   *an eligible surviving debtor;*

17                   (C) *the portion of the consolidation loan in-*  
 18                   *debtedness of an eligible parent that was in-*  
 19                   *curring on behalf of an eligible victim, if the*  
 20                   *amount of such indebtedness with respect to such*  
 21                   *eligible victim may be reliably determined on the*  
 22                   *basis of records available to the lender; and*

23                   (D) *the PLUS loan indebtedness of an eligi-*  
 24                   *ble parent that was incurred on behalf of an eli-*  
 25                   *gible victim described in subsection (a)(5)(B).*



1           (2) *METHOD OF DISCHARGE OR CANCELLA-*  
 2           *TION.*—A loan required to be discharged or canceled  
 3           under paragraph (1) shall be discharged or canceled  
 4           by the method used under section 437(a), 455(a)(1),  
 5           or 464(c)(1)(F) of the Higher Education Act of 1965  
 6           (20 U.S.C. 1087(a), 1087e(a)(1), 1087dd(c)(1)(F)),  
 7           whichever is applicable to such loan.

8           (c) *FACILITATION OF CLAIMS.*—The Secretary shall—  
 9           (1) establish procedures for the filing of applica-  
 10          tions for discharge or cancellation under this section  
 11          by regulations that shall be prescribed and published  
 12          within 90 days after the date of enactment of this Act  
 13          and without regard to the requirements of section 553  
 14          of title 5, United States Code; and

15          (2) take such actions as may be necessary to  
 16          publicize the availability of discharge or cancellation  
 17          of Federal student loan indebtedness for eligible  
 18          spouses, eligible surviving debtors, and eligible par-  
 19          ents under this section.

20          (d) *AVAILABILITY OF FUNDS FOR PAYMENTS.*—Funds  
 21          available for the purposes of making payments to lenders  
 22          in accordance with section 437(a) for the discharge of in-  
 23          debtedness of deceased or disabled individuals shall be avail-  
 24          able for making payments under section 437(a) to lenders

1 of loans to the eligible spouses, eligible surviving debtors,  
 2 and eligible parents as required by this section.

3 (e) *APPLICABLE TO OUTSTANDING DEBT.*—The provi-  
 4 sions of this section shall be applied to discharge or cancel  
 5 only Federal student loans (including consolidation loans)  
 6 on which amounts were owed on September 11, 2001.

7 **SEC. 4. INFORMATION ON BENEFITS TO RURAL SCHOOL**  
 8 **DISTRICTS.**

9 The Secretary shall—

10 (1) notify local educational agencies eligible to  
 11 participate in the Small Rural Achievement Program  
 12 authorized under subpart 1 of part B of Title VI of  
 13 the Elementary and Secondary Education of 1965 of  
 14 the benefits available under the amendments made by  
 15 section 2 of this Act to the teachers in the rural  
 16 schools of such agencies; and

17 (2) encourage such agencies to notify their teach-  
 18 ers of such benefits.



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